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AMA Votes to Unionize Doctors

Now More Than Ever, Enact MSAs

The American Medical Association (AMA), the nation's largest professional organization representing doctors, voted Wednesday to unionize. While unionization may give doctors more clout in dealing with managed care organizations, it's not the best prescription for the patients. The root cause of bureaucratic interference with patients' medical decisions is federal tax policy. Medical savings accounts (MSAs), which have been endorsed by the AMA — and are a key component of the "Patients' Bill of Rights – Plus" (S. 300), and the "Health Care Access and Equity Act" (S. 1274) — correct the problems in the tax code and restore a direct patient-doctor relationship.

Apparently, the move to form a labor union is a response to the doctors' perceived loss of control within the managed care system. Health maintenance organizations (HMOs) often establish treatment guidelines to control costs. However, unionization does not deal with the root cause — federal tax policy. Rather, it will only encourage a confrontational posture — one in which it will be patients who lose.

Our tax policy has strained the managed care relationship by encouraging the insertion of middlemen into the mix. The federal government only allows patients tax-free access to medical care if (1) they pay for it through insurance and (2) their employer purchases insurance for them. The result is that employers and insurance companies have become more and more involved in patients' medical decisions.

MSAs restore a direct doctor-patient relationship. No middleman. With MSAs, patients get a tax break on the medical care they purchase out-of-pocket, not just what they buy through employer-provided insurance. The only people involved in the medical decisions paid for with an MSA are the patient and the doctor. In fact, 75 percent of Americans under age 65 would be able to pay all their medical bills from their MSA, without any interference by insurers.

[For more on how MSAs improve the doctor-patient relationship and how to make them available to everyone, see RPC papers "Forty-three Senators Urge Action This Year: Make MSAs Available to All Americans 'Immediately,'" 5/5/99; and "Health Care Access and Equity Act of 1999," 6/24/99.]

RPC Staff Contact: Michael F. Cannon, 224-2946